

STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)
MEDICAL ASSISTANCE

4. PROPOSED EFFECTIVE DATE
01/01/03

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

1902(r)(2) & (f)

7. FEDERAL BUDGET IMPACT:

a. FFY 03 \$ 678,038
b. FFY 04 \$ 951,245

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

SUPPLEMENT 5 TO ATTACHMENT 2.6-A, PAGE 1
SUPPLEMENT 8b TO ATTACHMENT 2.6-A, PAGE 1
SUPPLEMENT 15 TO ATTACHMENT 2.6-A, PAGE 2

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

SAME

10. SUBJECT OF AMENDMENT:

EXEMPTION OF BONA FIDE FUNERAL AND BURIAL PLANS OR AGREEMENTS PER INDIVIDUAL.

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:
AS APPROVED BY GOVERNOR

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Lillian B. Koller

13. TYPED NAME:

LILLIAN B. KOLLER, ESQ.

14. TITLE:

DIRECTOR

15. DATE SUBMITTED:

FEB 03 2003

16. RETURN TO:

DEPARTMENT OF HUMAN SERVICES
MED-QUEST DIVISION
POLICY AND PROGRAM DEVELOPMENT OFFICE
P.O. BOX 700190
KAPOLEI, HI 96709-0190

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:

April 25, 2003

19. EFFECTIVE DATE OF APPROVED MATERIAL:

January 1, 2003

20. SIGNATURE OF REGIONAL OFFICIAL:

[Signature]

21. TYPED NAME:

Linda Ninamoto

22. TITLE:

Associate Regional Administrator

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: HAWAII

**MORE LIBERAL METHODS OF TREATING RESOURCES
UNDER SECTION 1902(r)(2) OF THE ACT**

☒ Section 1902(f) State

☐ Non-Section 1902(f) State

For all groups subject to 1902(r)(2):

1. Basic maintenance items essential to day-to-day living such as clothing, furniture, appliances, etc. are exempt from consideration toward the personal reserve, regardless of the value of the maintenance items.
2. The equity value of all motor vehicles such as cars, trucks, vans, campers, motorcycles, and mobile homes are exempt from consideration toward the personal reserve, regardless of the value or the use of the vehicles, with the exception of all watercrafts and air transportation vehicles, such as boats, airplanes, and helicopters that will continue to be considered toward the personal reserve.
3. The value of bona fide funeral and burial plans or agreements per individual are exempt from consideration toward the personal reserve, regardless of their value.

TN No. 03-001

Supersedes

TN No. 02-001

Approval Date: APR 25 2003 Effective Date: JAN 1 2003

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**STATE: HAWAII****MORE RESTRICTIVE METHODS OF TREATING RESOURCES
THAN THOSE OF THE SSI PROGRAM - Section 1902(f) States only**

The methodology for treatment of resources differs from the SSI program in the following areas where Hawaii is more restrictive.

1. The value of property other than home property including business property is counted.
2. The equity value of life insurance policies are counted. Equity value of a life insurance policy shall be determined by subtracting any outstanding loans or encumbrances from the cash value of the policy.
3. Income tax refunds are counted as a resource in the month of receipt.
4. One burial plot per family member, if specifically designated for the individual or family member, and the value of bona fide funeral and burial plans or agreements per individual are exempt from consideration toward the personal reserve, regardless of their value. The value of any funeral and burial funds that are not bona fide funeral and burial plans or agreements shall be applied to the personal reserve.

TN No. 03-001
Supersedes
TN No. 96-010

Approval Date: APR 25 2003 Effective Date: JAN 1 2003

_____ The agency applies higher resource standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

 X The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:

1. For applicants and recipients, gross income in the amount of the difference between the AFDC income standard (in effect on July 16, 1996) and 100% of the 2002 FPL is disregarded or the AFDC income disregards in effect on July 16, 1996 are applied, whichever is to the family's advantage. Except that the income disregards will be applied without regard to 45 CFR 233.20(a)(11)(iii)(A) through (D).
2. The earned income of each child under age 19, who is a student, is excluded.
3. All TANF payments are excluded.
4. \$1000 in otherwise countable resources will be disregarded for a family of one, \$2000 for a family of two, and an additional \$250 for each individual above two.
5. The equity value of all motor vehicles such as cars, trucks, vans, campers, motorcycles, and mobile homes are exempt from consideration toward the personal reserve, regardless of the value or the use of the vehicles, with the exception of all watercrafts and air transportation vehicles, such as boats, airplanes, and helicopters that will continue to be considered toward the personal reserve.
6. The value of bona fide funeral and burial plans or agreements per individual are exempt from consideration toward the personal reserve, regardless of their value.

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

1. A new income disregard is added.
2. The gross earned income of a dependent child who is a student, was included in determining whether the total family income exceeded 185 per cent of the Standard of Need. For applicants,

TN No. 03-001

Supersedes

TN No. 02-001

Approval Date: APR 25 2003 Effective Date: JAN 1 2003